



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

Special Report of the General Assembly (of Vermont), 1902, relating to Taxation of Corporations and Individuals. By the Commissioner of State Taxes. Burlington, 1902. — 134 pp.

Preliminary and Final Report of the West Virginia State Taxation Commission, 1902. Charleston. — 78 pp.

Report of the Tax Commission of Minnesota created by Chapter 13, General Laws of 1901, for the purpose of Framing a Tax Code. St. Paul, 1902. — 223 pp.

Report of the State Tax Commission of Missouri, 1903. Jefferson City. — 35 pp.

Second Report of the Board of State Tax Commissioners of Michigan. Lansing, 1903. — 312 pp.

Second Biennial Report of the Wisconsin State Tax Commission, Madison, 1903. — 377 pp.

The two years that have elapsed since the last review in the POLITICAL SCIENCE QUARTERLY, Volume xvii, page 177, have seen no falling off in the interest devoted to the problems of practical tax reform. Among the more prominent state reports, the six following deserve some mention.

The Vermont report confines its attention to the discussion of corporations and the grand list. The volume contains a concise history of the tax on each kind of corporation, with detailed statistics as to the present situation and recommendations as to desirable changes. Among such changes are the introduction of a progressive rate into the earnings tax on railways, the inclusion of gas, electric lighting and power companies under the taxable corporations, and minor suggestions with reference to banks and insurance companies. In the main, however, the commission finds the Vermont laws on this subject fairly adequate. On the other hand, the grand list is declared to be in a very unsatisfactory condition. It is made up from the sworn statement of the taxpayer touching his personal estate as well as from the quadrennial appraisal of real estate. The commission tells us that it is a well known fact that the grand list does not represent by any means the true cash value of either the real or the personal property. This statement is followed by the usual anticlimax of the recommendation of a board

of equalization as a remedy. It is evident from the report that the economic conditions in Vermont are not yet those of a developed industrial state, for the commission would otherwise not set forth as a panacea what has been found to be so inadequate in other commonwealths.

The West Virginia report is a far more comprehensive and thorough-going piece of work. The preliminary report was discussed in the *POLITICAL SCIENCE QUARTERLY*, volume xvii, page 177, to which the reader may be referred. The final report presents the conclusions as formed after an interval of further discussion and deliberation. Here, as in the original report, the influence of the Buffalo Tax Conference is plainly visible. The commission still maintains that by all means the best plan is to abandon the attempt to assess intangible personal property. It confesses, however, that under the West Virginia constitution as it stands, this plan is impracticable. While waiting for such an amendment, the commission recommends that at all events the system of deduction for debts be extended to intangible personalty. Moreover, mortgages should also be freed from taxation. The recommendation of the separation of state and local sources of revenue is repeated and strengthened, and it is suggested that the state revenue be derived from increased corporation taxes as well as from licenses to dealers in liquors, tobacco and coal.

The Minnesota commission repeats the familiar facts with reference to the taxation of personalty. After speaking of real estate, they add: "passing to the assessment of personal property, we enter a field of confusion worse confounded." They tell us that the existing facts form a "deplorable condition of affairs." Their recommendation is the customary proposal of the listing system, to be verified by law. That the commission, however, is only half-hearted in its recommendation is seen by the following significant conclusion:

It may here be said that if it shall be proven by experience under the bill that the enforcement of its provisions is inadequate to produce results far more satisfactory than any the state has ever yet known, the sooner the taxation of many classes of personal property is abandoned, the better.

As to which alternative is to be the one ultimately chosen there is perhaps not much doubt. The taxation of corporations on the other hand in Minnesota seems to be in fairly satisfactory condition. At all events, the commission makes no startlingly new recommendations. As regards other points the report recommends the separation of state and

local revenues and has something to say about an inheritance tax. The one striking proposal in the report is the suggestion of an income tax — striking because the present reviewer is quoted at some length in a passage which is misinterpreted into affording a basis for the scheme of the commission.

Missouri has also gotten into line, but the report of the commission is a modest one. No one, it tells us, who has given any thought to the complex principles of taxation, will expect a discussion here of the various theories advanced. The commission states that the revenue laws of Missouri in their main provisions compare favorably with those of other states. It thereupon proceeds to explain the shortcomings of the Missouri system. The defects of the general property tax it thinks may be corrected by requiring the assessor to put into separate columns the actual and the taxable values. If, however, this does not accomplish the results anticipated, "it certainly can be no worse in practice than the system now in vogue." The present system is so bad, we are told, that any attempt to present statistics on the subject would be useless. Missouri, also, it is clear, has not quite reached the point where it is ready to face the real difficulties of the problem.

At the time that the permanent tax commissions of Michigan and Wisconsin were instituted, attention was called to the significance of the action. The second biennial reports have now been published and are quite up to the level of the first.

The Michigan report gives a general review of the activity of the commission, and then devotes its discussions chiefly to two topics. The first is the Ward-Lowrey or mortgage tax bill. This was an attempt to introduce the Massachusetts and California system but was vetoed by the governor. The special reasons for this action, which really do not go to the heart of the subject, are well set forth in the report. The other discussion is that pertaining to the taxation of railways, under the Cooley and Adams system, which is now familiar to all students, and which is being at present so actively contested in the courts. The volume contains many statistical tables, and will be of interest to those who wish to keep abreast of the latest developments.

The Wisconsin report is divided into a number of carefully elaborated chapters including such subjects as the inheritance tax, the taxation of credits in general, and the assessment of railways and banks. Some of these discussions go quite fully into the theory of the subject, and are provided with copious references to the court decisions, so that they will be found of permanent value. The report is also noteworthy in that it contains for the first time in any American state document chap-

ters on the state budget and on municipal taxation, including the whole subject of municipal accounting.

It would be a great gain to the cause of tax reform in the United States if more states were to follow the examples of Michigan and Wisconsin in forming permanent tax commissions. Their discussions are far and away superior to those published by temporary bodies, composed of men who commonly approach the subject for the first time.

EDWIN R. A. SELIGMAN.

Der Lübecker Schoss bis zur Reformationszeit. VON DR. J. HARTWIG. *Staats- und socialwissenschaftlichen Forschungen.* Band xxi, Heft 6. Herausgegeben von Gustav Schmoller. Leipzig: Duncker & Humblot, 1903.—8vo, xiv, 237 pp.

This study constitutes the one-hundredth number in Schmoller's *Staats- und socialwissenschaftlichen Forschungen* and is on that account honored with a charming little preface by Professor Schmoller himself, in which he recounts the history of this long series of publications. Writing on Palm Sunday, April 5, 1903, Professor Schmoller reviews the growth of this one of the several great monuments of his own life work. He tells how on August 30, 1876, he and G. F. Knapp made a contract with Duncker and Humblot for the publication of this series, the purpose of which was to facilitate the publication of the scientific studies made by their own pupils. The first five numbers were not published, however, until two years later, in 1878, and now, after five and twenty years, the one-hundredth number has come from the press. Before the first number appeared, Knapp had been called to Strassburg and his name was dropped as co-editor, the series appearing, as it has ever since, under Schmoller's name alone. Of the one hundred publications, all but twenty-seven, he tells us, are the work of his own pupils. Few of the studies in this series are devoted to questions of the day because of his feeling that beginners are not competent to handle such subjects. Fewer still are devoted to questions of economic theory, not for the reason which Schmoller's opponents might attribute to him, namely, that he does not value that line of work, but rather because, as he puts it, he holds it too high. Beginners' impressions and speculations in the field of economic theory appear to him, he says, "for the most part unripe, not new or significant enough to be taken up in such a series." In consequence, most of the studies are strictly in keeping with the original character of the work of the historical school of economists. Thirty-three numbers are the work of men who are now or have been professors or